

SCHEDULE F
(Form 1040)

Department of the Treasury
Internal Revenue Service (X)
Name of proprietor

Farm Income and Expenses

► Attach to Form 1040, Form 1041, Form 1041S, or Form 1065.

► See instructions for Schedule F (Form 1040).

OMB No. 1545-0074

1988

Attachment
Sequence No. 14

Name of proprietor SchF_1_L_H1		Social security number (SSN) SchF_1_L_H2
A Principal Product. (Describe in one or two words your principal crop or activity for the current tax year.) SchF_1_A		B Agricultural Activity Code (from Part IV) SchF_1_B
C Accounting Method: <input type="checkbox"/> Cash SchF_1_C_H1 <input type="checkbox"/> Accrual SchF_1_C_H2		D Employer ID number (Not SSN) SchF_1_D
E Did you make an election in a prior year to include Commodity Credit Corporation loan proceeds as income in that year? <input type="checkbox"/> Yes <input type="checkbox"/> No		
F Did you "materially participate" in the operation of this business during 1988? (If "No," see instructions for limitations on losses.) <input type="checkbox"/> Yes <input type="checkbox"/> No		
G Do you elect, or did you previously elect, to currently deduct certain preproductive period expenses? (See Instructions.) <input type="checkbox"/> Does not apply <input type="checkbox"/> Yes <input type="checkbox"/> No		

Part I Farm Income—Cash Method—Complete Parts I and II (Accrual method taxpayers complete Parts II and III, and line 12 of Part I.)
Do not include sales of livestock held for draft, breeding, sport, or dairy purposes; report these sales on Form 4797.

1 Sales of livestock and other items you bought for resale	1 SchF_1_I_1	
2 Cost or other basis of livestock and other items you bought for resale	2 SchF_1_I_2	
3 Subtract line 2 from line 1		3 SchF_1_I_3
4 Sales of livestock, produce, grains, and other products you raised		4 SchF_1_I_4
5a Total distributions received from cooperatives (from Form 1099-PATR)	5a SchF_1_I_5a	
b Less: Nonincome items	5b SchF_1_I_5b	
6 Net distributions. Subtract line 5b from line 5a		6 SchF_1_I_6
7a Total agricultural program payments	7a SchF_1_I_7a	7b Taxable amount
8a Commodity Credit Corporation (CCC) loans reported under election (see Instructions)		8a SchF_1_I_8a
b CCC loans forfeited or repaid with certificates	8b SchF_1_I_8b	8c Taxable amount
9a Crop insurance proceeds received in 1988	9a SchF_1_I_9a	9b Taxable amount
c If election to defer to 1989 is attached, check here <input type="checkbox"/> SchF_1_I_9c		9d Amount deferred from 1987
10 Custom hire (machine work) income		10 SchF_1_I_10
11 Other income, including Federal and state gasoline or fuel tax credit or refund (see Instructions)		11 SchF_1_I_11
12 Gross income. Add amounts in the right column for lines 3 through 11. If accrual method taxpayer, enter the amount from Part III, line 55		12 SchF_1_I_12

Part II Farm Deductions—Cash and Accrual Method (Do not include personal or living expenses such as taxes, insurance, repairs, etc., on your home.)

13 Breeding fees	13 SchF_1_II_13	25a Labor hired	SchF_1_II_25a	
14 Chemicals	14 SchF_1_II_14	b Jobs credit	SchF_1_II_25b	
15 Conservation expenses (you must attach Form 8645)	15 SchF_1_II_15	c Net labor hired (line 25a minus b)	25c SchF_1_II_25c	
16 Custom hire (machine work)	16 SchF_1_II_16	26 Pension and profit-sharing plans	26 SchF_1_II_26	
17 Depreciation and section 179 expense deduction (from Form 4562)	17 SchF_1_II_17	27 Rent of farm, pasture	27 SchF_1_II_27	
18 Employee benefit programs other than on line 26	18 SchF_1_II_18	28 Repairs, maintenance	28 SchF_1_II_28	
19 Feed purchased	19 SchF_1_II_19	29 Seeds, plants purchased	29 SchF_1_II_29	
20 Fertilizers and lime	20 SchF_1_II_20	30 Storage, warehousing	30 SchF_1_II_30	
21 Freight, trucking	21 SchF_1_II_21	31 Supplies purchased	31 SchF_1_II_31	
22 Gasoline, fuel, oil	22 SchF_1_II_22	32 Taxes	32 SchF_1_II_32	
23 Insurance	23 SchF_1_II_23	33 Utilities	33 SchF_1_II_33	
24 Interest:		34 Veterinary fees, medicine	34 SchF_1_II_34	
a Mortgage (paid to banks, etc.)	24a SchF_1_II_24a	35 Other expenses (specify):		
b Other	24b SchF_1_II_24b	a SchF_1_II_35a_H1	35a SchF_1_II_35a_H2	
36 Add amounts on lines 13 through 35e		b SchF_1_II_35b_H1	35b SchF_1_II_35b_H2	
37 Preproductive period expenses that are capitalized (see Instructions)		c SchF_1_II_35c_H1	35c SchF_1_II_35c_H2	
38 Subtract line 37 from line 36. These are your total deductions		d SchF_1_II_35d_H1	35d SchF_1_II_35d_H2	
39 Net farm profit or (loss). Subtract line 38 from line 12. If a profit, enter on Form 1040, line 19, and on Schedule SE, line 1. If a loss, you MUST go on to line 40. (Fiduciaries and partnerships, see Instructions.)		e SchF_1_II_35e_H1	35e SchF_1_II_35e_H2	
40 If you have a loss, you MUST check the box that describes your investment in this activity (see Instructions).			36 SchF_1_II_36	
			37 SchF_1_II_37	
			38 SchF_1_II_38	
			39 SchF_1_II_39	

For Paperwork Reduction Act Notice, see Form 1040 Instructions.

Part III Farm Income—Accrual Method

Do not include sales of livestock held for draft, breeding, sport, or dairy purposes; report these sales on Form 4797 and do not include this livestock on line 50 below.

41	Sales of livestock, produce, grains, and other products during year		41	SchF_2_41	
42a	Total distributions received from cooperatives (from Form 1099-PATR)	42a	SchF_2_42a		
b	Less: Nonincome items	42b	SchF_2_42b		
43	Net distributions. Subtract line 42b from line 42a	43	SchF_2_43		
44a	Total agricultural program payments	44a	SchF_2_44a		
		44b	Taxable amount	44b	SchF_2_44b
45a	Commodity Credit Corporation (CCC) loans reported under election (see Instructions)	45a	SchF_2_45a		
b	CCC loans forfeited or repaid with certificates	45b	SchF_2_45b		
		45c	Taxable amount	45c	SchF_2_45c
46	Crop insurance proceeds	46	SchF_2_46		
47	Custom hire (machine work) income	47	SchF_2_47		
48	Other income, including Federal and state gasoline or fuel tax credit or refund (see Instructions)	48	SchF_2_48		
49	Total. Add amounts in the right column for lines 41 through 48	49	SchF_2_49		
50	Inventory of livestock, produce, grains, and other products at beginning of year	50	SchF_2_50		
51	Cost of livestock, produce, grains, and other products purchased during year	51	SchF_2_51		
52	Add lines 50 and 51	52	SchF_2_52		
53	Inventory of livestock, produce, grains, and other products at end of year	53	SchF_2_53		
54	Cost of livestock, produce, grains, and other products sold. Subtract line 53 from line 52*	54	SchF_2_54		
55	Gross income. Subtract line 54 from line 49. Enter the result here and on Part I, line 12	55	SchF_2_55		

*If you use the unit-livestock-price method or the farm-price method of valuing inventory and the amount on line 53 is larger than the amount on line 52, subtract line 52 from line 53. Enter the result on line 54. Add lines 49 and 54. Enter the total on line 55.

Part IV Principal Agricultural Activity Codes

Select one of the following codes and write the 3-digit number on line B on page 1 of this schedule. (Note: If your principal source of income is from providing agricultural services such as soil preparation, veterinary, farm labor, horticultural, or management for a fee or on a contract basis, you should file Schedule C (Form 1040), Profit or Loss From Business.)

- | | | | |
|-----|---|-----|--|
| 120 | Field crop, including grains and nongrains such as cotton, peanuts, feed corn, wheat, tobacco, Irish potatoes, etc. | 211 | Beefcattle feedlots |
| 160 | Vegetables and melons, garden-type vegetables and melons, such as sweet corn, tomatoes, squash, etc. | 212 | Beefcattle, except feedlots |
| 170 | Fruit and tree nuts, including grapes, berries, olives, etc. | 215 | Hogs, sheep, and goats |
| 180 | Ornamental floriculture and nursery products | 240 | Dairy |
| 185 | Food crops grown under cover, including hydroponic crops | 250 | Poultry and eggs, including chickens, ducks, pigeons, quail, etc. |
| | | 260 | General livestock, not specializing in any one livestock category |
| | | 270 | Animal specialty, including fur-bearing animals, pets, horses, etc. |
| | | 280 | Animal aquaculture, including fish, shellfish, mollusks, frogs, etc., produced within confined space |
| | | 290 | Forest products, including forest nurseries and seed gathering, extraction of pine gum, and gathering of forest products |
| | | 300 | Agricultural production, not specified |